

State of California  
Business, Transportation and Housing Agency  
Department of Transportation

PROJECT BUSINESS MATTERS  
Extension Request – Contract Award  
Action Item

Prepared By:  
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CTC Meeting: January 23-24, 2002

Agenda Item: 2.8b.(2)

*Original Signed By*  
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Chief Financial Officer  
January 2, 2002

**WAIVER REQUEST – CTC RESOLUTION G-01-21**

**CTC STIP GUIDELINES**

**SECTION 65 – TIMELY USE OF FUNDS**

**LOCAL STREETS AND ROADS PROJECTS**

**WAIVER-02-02**

**ISSUE**

Resolution G-01-21, *STIP Guidelines*, adopted by the California Transportation Commission (Commission) on July 12, 2001, stipulates that funds allocated for the construction phase of local grant projects are available for contract award for a period of 12 months from the date of allocation.

The Commission allocated \$185,000 on January 26, 2001 and \$234,000 on May 5, 2001 for construction of Improvements to East Grand Avenue in the City of Arroyo Grande (PPNO 2022). The lead agency is the City of Arroyo Grande. The City is requesting a 16-month extension for the \$185,000 and a 12-month extension for the \$234,000 per Resolution G-01-21. The extensions would result in a revised contract award deadline of May 2003.

**BACKGROUND**

Two unanticipated events necessitated this request. First, in late 2000 during the course of the STIP design work, there was public concern that led the City to schedule a public meeting regarding the development of a master plan to coordinate all of the proposed improvements for the East Grand Avenue corridor. At the initial meeting, the main public concern was that the STIP improvements would be constructed only to be removed later to accommodate the master plan improvements. An extensive series of public meetings was conducted that led to the development of the East Grand Avenue Master Plan. The STIP design will now include all of the proposed improvements on East Grand Avenue.

Second, SLOCOG staff recommended approval for funding the enhancement improvements outlined in the East Grand Avenue Master Plan at its December 5<sup>th</sup> Board meeting. Funding for the enhancement improvements will not be available until FY 2002-2003. These two unanticipated events have added approximately 12-15 more months to the project than were expected.

Approval of this request will enable the City to:

- coordinate a cost-effective use of funds to construct a project that meets the needs of the community;
- greatly reduce the overall project administration and construction costs; and
- eliminate the possibility of removing any STIP improvements that may conflict with the East Grand Avenue Master Plan enhancement improvements.

**RECOMMENDATION**

The Department of Transportation recommends approval of this request.